



# House of Representatives

General Assembly

**File No. 860**

January Session, 2009

Substitute House Bill No. 5495

*House of Representatives, April 30, 2009*

The Committee on Transportation reported through REP. GUERRERA of the 29th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

## **AN ACT CONCERNING FAIR ADVERTISING FOR CONNECTICUT FARM WINERIES.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 13a-124a of the general statutes is repealed and  
2 the following is substituted in lieu thereof (*Effective from passage*):

3 (a) As used in this section, "specific information sign" means a  
4 rectangular sign with the word GAS, FOOD, LODGING, FARM  
5 WINERY or CAMPING and exit directional information pertaining to  
6 the designated motorist service placed at the top of the sign and upon  
7 which is mounted separately attached business signs showing the  
8 brand, symbol, trademark or name, or any combination of these, for  
9 the designated service available on a crossroad at or near an  
10 interchange or intersection. For purposes of this section "FARM  
11 WINERY" means a farm winery granted a permit by the Commissioner  
12 of Consumer Protection pursuant to section 30-16.

13 (b) The Commissioner of Transportation may issue permits for the

14 erection and maintenance of specific information signs and business  
 15 signs within the rights-of-way of any portion of a state-maintained  
 16 limited access highway, except a parkway. The commissioner shall not  
 17 issue any such permit to any person or company until such person or  
 18 company files with the commissioner a bond or recognizance to the  
 19 state, satisfactory to the commissioner and in such amount as the  
 20 commissioner determines, subject to forfeiture upon failure to comply  
 21 with (1) the requirements of this section, (2) regulations adopted  
 22 pursuant to this section, or (3) any orders of the commissioner relating  
 23 to the erection and maintenance of specific information signs and  
 24 business signs. Any such bond or recognizance shall remain in full  
 25 force and effect as long as such person or company is subject to any  
 26 such requirements, regulations or orders as provided in this section.

27 (c) Any person or company issued a permit in accordance with  
 28 subsection (b) of this section shall be reimbursed, by subsequent  
 29 permittees on the same sign, the costs associated with said sign  
 30 divided by the number of other permittees on said sign.

31 (d) The commissioner shall adopt regulations in accordance with  
 32 chapter 54 to carry out the purposes of this section. Such regulations  
 33 shall include, but not be limited to, establishment of (1) fees for the  
 34 permits issued under subsection (b) of this section, (2) reimbursements  
 35 issued pursuant to subsection (c) of this section, and (3) standards for  
 36 the location, size and maintenance of specific information signs and  
 37 business signs.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	13a-124a

**TRA**      *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

### **OFA Fiscal Note**

#### **State Impact:**

<b>Agency Affected</b>	<b>Fund-Effect</b>	<b>FY 10 \$</b>	<b>FY 11 \$</b>
Department of Transportation	TF - See Below	See Below	See Below

Note: TF=Transportation Fund

**Municipal Impact:** None

#### **Explanation**

The bill requires the Department of Transportation to post Logo signs that advertise farm wineries on all expressways. The cost to the Department of Transportation is between \$17,000 and \$20,000 (materials and contractor labor) to purchase and install each sign. If the state chose to install 10 signs, the cost would be between \$170,000 and \$200,000.

Up to six businesses located in closest proximity to the sign can have their logos placed on the sign. Applications cost \$1,500 and are paid by each business. There is a revenue gain to the Transportation Fund from farms and agricultural businesses applying to have their logos placed on expressways Logo signs. If 10 farm wine businesses submitted applications in one fiscal year, the revenue gain to the Transportation Fund would be \$15,000.

#### **The Out Years**

The future fiscal impact would be dependent on the number of signs purchased and installed.

**OLR Bill Analysis****sHB 5495*****AN ACT CONCERNING FAIR ADVERTISING FOR CONNECTICUT FARM WINERIES.*****SUMMARY:**

This bill adds “Farm Winery” as a category that may be listed on a highway “specific information sign,” which under current law includes information on gas, food, and lodging. It defines a “farm winery” as a winery having a permit from Department of Consumer Protection (DCP) commissioner.

The bill allows the Department of Transportation (DOT) commissioner to treat people applying for a sign indicating “Farm Winery” in the same way he treats other specific information sign owners. This means the commissioner may issue a permit to erect the sign, but must receive either a bond or recognizance in an amount the commissioner specifies. Like other specific information sign permittees, farm winery permittees must be reimbursed by subsequent permittees on the same sign.

EFFECTIVE DATE: Upon passage

**BACKGROUND*****Farm Winery Permits***

By law, the DCP commissioner may grant a permit for a farm winery (a manufacturer permit that allows for making, bottling, storing, and selling wine and brandies distilled from grape and other fruit products). A permittee must produce on the premises or on property adjacent to and under the permittee’s ownership and control an average crop of fruit equal to at least 25% of the fruit used in the manufacture of the permittee’s wine (CGS § 30-16(e)(5)).

**Farm Winery Signs**

The Department of Agriculture has a signage program for wineries. The DOT also administers a separate sign program with the Connecticut Vineyard Winery Association (CVWA), which apparently is only for CVWA members.

**Legislative History**

On April 14, 2009, the House referred the bill to the Transportation Committee, which favorably reported a substitute on April 20 that eliminates the requirement that the DOT and agriculture commissioners allow any farm winery permit holder to participate in any vineyard or winery signage program that the commissioners administer and that promotes the existence and location of farm wineries.

**COMMITTEE ACTION**

Environment Committee

Joint Favorable Substitute

Yea 31 Nay 0 (03/18/2009)

Transportation Committee

Joint Favorable Substitute

Yea 17 Nay 16 (04/20/2009)